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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 7, 2011

Gary Applegate
Great American Resources LLC
P.O. Box 668
Tooele, Utah 84074

Subject: Resolution of Division Directive, Great American Resources LLC, Southern White/Mountain Rose Mine, S/001/0047, Beaver County, Utah

Dear Mr. Applegate:

Thank you for coming to the office of the Division of Oil, Gas and Mining on February 7, 2011, to discuss the reclamation surety requirements. The Division agreed in this meeting that it will require a reclamation surety of \$31,600 for about 6.5 acres of disturbance and that interest in the Zions Bank account can be applied toward the surety. This agreement is in place.

The Division requested that you submit a Notice of Intention to Commence Large Mining Operations, but the Mined Land Reclamation Act was changed in the last legislative session allowing small mines (in unincorporated areas) to have up to 10 acres of disturbance. You requested 6.5 acres of disturbance, so the Division now needs an amendment to your Notice of Intention to Commence Small Mining Operations. This amendment needs to include a map showing where the disturbance is located, and the text needs to show 6.5 acres of disturbance.

Please provide this amendment no later than August 15, 2011.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5261 or Tom Munson at (801) 538-5321. Thank you for your help in completing this important regulatory requirement.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:tm:eb

cc: ed_ginouvest@blm.gov

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